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Controller Releases July Cash Update

SACRAMENTO – State Controller John Chiang today released his monthly report covering California's cash balance, receipts and disbursements in July 2014. Total revenues for the first month of Fiscal Year 2014-15 totaled \$5.4 billion, beating estimates in the Budget Act by \$231.9 million, or 4.5 percent.

"Even though July is usually a weak revenue collection month, the new fiscal year is off to a strong start," Chiang said. "While the State plans to borrow operating funds through revenue anticipation notes, the \$2.8 billion needed solely for smoothing out the timing of revenues is at the lowest level since the 2006-07 fiscal year. If we can continue to reduce short- and long-term debts, we can continue to improve our fiscal condition."

Income tax collections for the month of July came in \$244.9 million, or 6.4 percent, above estimates. Corporate taxes topped estimates by \$38.1 million, or 13.5 percent. Sales taxes also beat estimates by \$36 million, or 4.1 percent.

The State ended the last fiscal year on June 30 with a positive cash balance for the first time since June 30, 2007. That means the State had funds available to meet all of its payment obligations without needing to borrow from Wall Street or the \$23.8 billion available in its more than 700 internal special funds and accounts.

As of July 31, the General Fund accumulated outstanding loans of \$7.9 billion from internal sources, which was \$1.5 billion under the budgeted amount.

The State ended the month with unused borrowable resources of \$17.8 billion after making \$15.4 billion in disbursements. The most significant payments were \$6.5 billion to public schools, which included deferrals from the spring in addition to the normal July scheduled payments.

For more details on today's report, read the and .

Read a version of this press release in .

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